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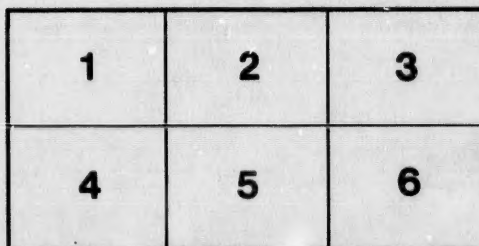
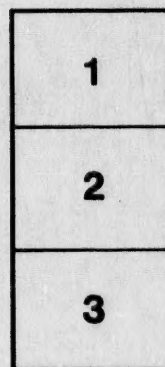
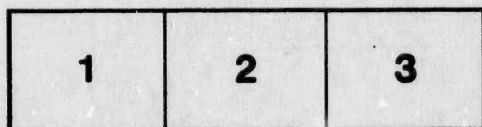
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10 BY-LAWS

OF

La Société de Construction Canadienne

D'OTTAWA.

*Incorporated 27th April, 1874, under Cap. 53 of
the C. S. for U. C.*



Directors:

J. A. PINARD, President.
T. G. COURBOLLES, Vice-President.
SAMUEL BENOIT,
DR. ST. JEAN,
JOSEPH TASSE,
O. A. ROCQUE,
LEON DAVID.

N. S. BENOIT, Secretary-Treasurer.
H. LAPIERRE, G. TAILLON, Solicitors.
PIERRE MARIER, Inspector.

OTTAWA:

Printed by Gresson, Fréchette & Co., Wellington St.

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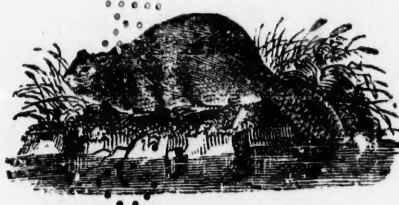
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BY - LAWS

OF THE

SOCIÉTÉ DE CONSTRUCTION CANADIENNE D'OTTAWA.

ARTICLE I.—The name of the Society is Name.
"LA SOCIÉTÉ DE CONSTRUCTION CANADIENNE D'OTTAWA."

Its Chief Office is established in Ottawa. Chief Office.

ARTICLE II.—The object of the Society Object.
is to provide for its members secure and advantageous means of investing their savings: to assist them in acquiring real property, or in freeing and improving that which they already possess; and to offer to borrowers on the security of real estate, and of public and other securities, easy terms of loan and repayment.

ARTICLE III.—The Capital Stock of the Society shall be divided into permanent shares and temporary shares. Permanent and temporary stock.

The temporary stock shall be divided into monthly classes, designated by the figures 1, 2, 3, 4, etc.

The amount of the permanent shares shall be FIFTY DOLLARS, and of the temporary shares ONE HUNDRED DOLLARS.

ARTICLE IV.—The permanent shares shall be payable in cash at the office of the Society. Permanent shares payable in cash.

ARTICLE V.—Temporary shares shall be payable in advance at the office of the Society by monthly instalments of SEVENTY. Temporary shares payable monthly.

FIVE cents each, on or before the THIRD DAY of each month.

Opening of the classes.

Each class shall be opened on the third day of each month, and the first payment shall be made in advance on the day when the class is opened; the date of the opening of the first class shall be fixed by the Directors.

Suspension of classes.

The Directors may suspend the opening of the temporary classes whenever in the interests of the Society they shall consider it expedient so to do.

Conversion of shares.

Temporary shares may be converted into permanent shares with the consent of the Directors.

Limitation of subscriptions.

The number of shares which may be subscribed for by a shareholder may be limited by the Directors should they consider it advisable.

Duration of temporary classes.

ARTICLE VI.—The duration of the temporary class shall be eight years.

Payment of temporary shares on completion.

Temporary shares which are not converted into permanent shares, shall be paid within six months after the completion of the term, with interest at the rate of eight per cent. from the time of such completion until payment. If, at the expiration of the first class of temporary shares, the profits of the Society allow of the payment to the Shareholders of more than one hundred dollars a share, a part of such surplus may be divided between the permanent and temporary Shareholders, and another portion may be converted into a reserve fund.

Division of the surplus of profits at the expiring of the classes.

Application of Capital.

ARTICLE VII.—The Capital shall be applied as follows:—

1st. Cost of management;

2nd. Redemption of temporary shares ;
 3rd. Payment of semi-annual dividends on the permanent shares, the first payment to be made six months after the opening of the first class; the amount of dividend to be fixed by the Directors;

4th. Investments and loans, for which application is made to the Society either by Shareholders or by other borrowers;

5th. Payment of the temporary shares on the expiry of the classes ;

And if at any time there are funds of the Society on hand which are not required for any of the foregoing purposes, the Directors with the consent of at least five of their number, may, if they consider it advisable, dispose of or invest the same otherwise in the interest of the Society.

ARTICLE VIII.—The Society shall be composed of an indeterminate number of members, designated as follows: Members.

1st. "Temporary Shareholders" who shall be the holders of shares in the temporary stock of the Society ; Temporary shareholders.

2nd. "Permanent Shareholders" who shall be the holders of shares in the permanent stock of the Society. Permanent shareholders.

ARTICLE IX.—Each person desirous of becoming a Shareholder or Member of the Society shall sign, either in person or by an attorney, or if he cannot sign, shall affix his mark in the presence of a witness to the book kept for that purpose, in which shall be entered and recorded the by-laws of the Society, together with a promise to comply with the same, as well as any amendment, alteration, or modification that may be subsequently made thereto. Conditions of membership.

Change of
shareholder's
residence.

Notice.

A book shall be kept in which shall be recorded the names, addresses, and callings of the shareholders and borrowers, who shall, under a penalty of twenty-five cents, give notice to the Society of any change of residence within one month after such change. Notices given by the Society to shareholders may be sent to them by post, or otherwise to their address, as recorded in the book kept for that purpose, and such notice shall be held to be sufficient to all intents and purposes.

In order to be a member of the Society and to exercise the rights of such member, the entrance fee and at least one instalment must have been paid.

Entrance fee.

ARTICLE X.—Any person subscribing for a share or shares in the permanent or temporary stock after the Society shall have been in existence for six months, shall pay an entrance fee of fifty cents for each share subscribed for. But so soon as the permanent shares shall have attained a value above par, the Directors may exact a premium on each permanent share subscribed for, or on each temporary share converted into a permanent share.

Fines for default of payment by shareholders.

ARTICLE XI.—Any shareholder who shall neglect or fail to pay his monthly instalments when due, shall pay a fine of five cents per share for the first month, ten cents for the second month, and fifteen cents for each subsequent month, during which his instalments shall remain unpaid.

Scale of fines for borrowers.

Any borrower who shall not have fulfilled his engagements to the Society when the same become payable, shall pay a fine for each month of five cents per dollar on the sum then due.

At the expiration of six months the Society may sue any borrower in default for the payment of his arrears, or for the fulfilment of any other engagement into which he may have entered. But the Society may sue the borrower within a less delay, should its interests require it.

Borrowers in
arrears may be
sued.

In the event of any shareholder at the expiration of twelve months not having paid up all arrears and fines by him due, then, by resolution to that effect, the Directors may declare forfeited the shares held by him to an amount equal to that by him due, and may finally close his account, returning him the balance, if any, with or without interest, as the Directors may see fit, all fines incurred being first deducted.

Confiscation of
shares of a
shareholder in
arrears.

ARTICLE XII.—The Directors, after having given one months' notice of their intention so to do, may declare any temporary shareholder who shall, during six months, have failed to pay his instalments, to have forfeited all his rights, as a member of the Society. The shares of such Shareholders shall be extinguished, and the capital paid up shall be returned to him without interest, or with such interest as the Directors may think fit to allow, all fines incurred being first deducted.

When a share-
holder shall be
declared to
have forfeited
his rights.

ARTICLE XIII.—Any Shareholder whether permanent or temporary may transfer his shares; such transfer shall be made in writing in a book kept for the purpose by the Society, and shall be signed by the transferrer and accepted by the transferee.

Transfer of
Shares.

A fee of twenty-five cents shall be paid to the Society on one permanent or tem-

Fees on shares
transferred.

**Transfers,
when recog-
nised.**

porary share so transferred, and a fee of ten cents on each additional share included in the same instrument of transfer.

The Society shall not be bound to recognise any such transfer until the same shall have been made and signed, by the parties interested, in a book kept for the purpose, and until the transferrer shall have fulfilled all his engagements to the Society.

**Transfer of
shares in con-
sequence of
decease.**

ARTICLE XIV.—In case of the death of a member, his heir or legal representative shall be bound to submit to the Board of Directors the documents or instruments proving such death, and his title and right to be substituted for such member, or to dispose of his shares; and if, after examination, the same be found satisfactory, the name of such heir or representative shall be substituted for that of the deceased Shareholder for all purposes whatsoever.

**Society not
bound to see to
substitutions.**

The Society shall, however, never be bound to see to substitutions made by will, donation, or otherwise, in respect of shares in the capital stock, whether permanent or temporary, and shall be in no way bound by any such substitution.

**Resignation of
shareholders.**

ARTICLE XV.—Any Shareholder may, with the consent of the Directors, cease to be a member of the Society, on giving one month's notice to that effect, addressed in writing to the Secretary-Treasurer; but the Directors may pay him his shares before the expiration of the month if they should consider it advisable. If the Shareholder has been a member of the Society for less than twelve months, he shall receive the amount of the instalments which he has paid, without any interest; but if

**Return of in-
stalments paid**

he has paid twelve instalments, or more, he shall receive, in addition to the amount of his instalments, a rate of interest which shall be fixed by resolution of the Directors.

ARTICLE XVI.—Every loan shall be made upon mortgage, or upon the security of shares held by the Shareholders. Loans may also be made upon other securities deemed sufficient by the Directors to ensure the payment of the sum lent, and of all interests, costs, etc., in accordance with Article 7 of these By-laws. Buildings on mortgaged property shall be insured for the benefit of the Society at the cost of the borrower during the whole duration of the loan, with such Insurance Company as the Directors shall select. If the Society consider it necessary, it may pay all Insurance premiums due in respect of such buildings and recover the same from the borrower.

How loans shall be made.

All sums lent by the Society shall be repaid, including capital and interest, by monthly payments unless other terms have been specially agreed upon.

Repayment of loans.

ARTICLE XVII.—When the Society receives information that a borrower has been sued, or is likely to be sued, or that the property which he has mortgaged in favor of the Society is liable to be sold for charges, taxes, and other incumbrances the Directors may, if they consider it advisable, pay such charges, taxes, and other incumbrances which might endanger or affect the rights of the Society in respect of the property so mortgaged. All sums so paid, shall be charged to the borrower; and repaid by him when the monthly payments become due.

Case in which the Society may pay certain charges due by borrowers.

Borrowers may pay off their indebtedness to the Society in advance.

ARTICLE XVIII.—If a borrower is desirous of liberating his property from a mortgage made in favor of the Society, before the expiration of the time stipulated in the agreement, he may do so on paying all arrears due and all future instalments, on conditions which shall be determined by the Directors.

Substitution of mortgaged property.

A borrower may also, at his own expense, substitute another property for that by him originally mortgaged, provided that such other property be deemed by the Directors sufficient to secure the payment of the sum then due to the Society.

Payment of loans.

ARTICLE XIX.—Payment of moneys lent by the Society on the security of buildings in course of construction shall be made as the work progresses on the certificate of the Society's Inspector or Inspectors.

Application of moneys derived from insurance.

ARTICLE XX.—The Directors may at their discretion apply the sums which they shall receive under any transfer of insurance made by a borrower, or a part of such sums, in repairing the damage done to the property, or may retain and apply the same, in whole or in part, as they may deem advisable, to the liquidation of the amount owing by the borrower to the Society, and the surplus, if any, shall be paid to the borrower.

Loans on the security of shares.

ARTICLE XXI.—Owners of shares, whether permanent or temporary, may borrow from the Society on the security of their shares, to an amount to be fixed by resolution of the Directors; but the sum lent shall not in any case exceed the amount of the instalments paid. Every member

borrowing on such security shall give a bond, acknowledgment, or promissory note, by which he shall bind himself to repay to the Society the amount by him borrowed, on the terms and conditions established by the Directors.

ARTICLE XXII.—The shares, profits and moneys generally, belonging or accruing to any member indebted to the Society in any manner whatsoever, shall be specially and by privilege charged with the payment of the Society's claims against them.

Shares, etc., charged by privilege with the payment of Society's claims.

ARTICLE XXIII.—Holders of temporary shares and borrowers who are desirous of making a cash deposit, in order to provide in advance for the payment of their monthly instalments, shall be entitled to interest on the amount so deposited at a rate to be fixed by the Directors. The interest shall be calculated monthly, and shall not be granted unless the sum so deposited is sufficient to pay at least six instalments.

Shares paid in advance to bear interest.

ARTICLE XXIV.—A book shall be opened, in which shall be recorded all applications for loans by order of date; and such applications shall be taken into consideration by the Directors in their order, except in urgent cases; in all cases, precedence shall be given to members of the Society.

Book of applications for loan

ARTICLE XXV.—The Directors may make arrangements with one or more chartered Banks, doing business at Ottawa, for the deposit of sums of money, and of securities belonging to the Society, and with respect to all other matters of finance.

Arrangement with banks.

**The Society
may borrow
money.**

ARTICLE XXVI.—If the Directors consider it for the interest of the Society to borrow money, they may do so in all cases in which the law allows it, at such rate of interest and on such conditions as may be agreed upon with the lenders; and the paid up stock of the Society shall thenceforth be charged with the repayment of sums so borrowed.

**Seven Direc-
tors; President
and Vice-Pre-
sident.**

ARTICLE XXVII.—The affairs of the Society shall be managed and administered by a Board of seven Directors, who shall themselves elect their President and Vice-President.

**Time of Elec-
tion of Direc-
tors.**

The Directors shall be elected by the majority of the votes of the shareholders at each Annual General Meeting, which shall take place within the two months next after the expiration of the Society's financial year.

First election.

The first election of Directors under these by-laws shall take place at the meeting at which the same shall have been adopted.

Ballot.

At the request of three members, the election of Directors by the shareholders shall be made by ballot.

**Retirement
from office.**

ARTICLE XXVIII.—Four of the Directors, to be selected by lot from the whole board, shall retire from office, one year after the first election, and three the following year, and so on in turn; but any retiring Director shall be eligible for re-election.

**Election of
Directors may
be adjourned.**

ARTICLE XXIX.—If it should happen that an election of Directors is not had at the time fixed by the by-laws, the meeting at which the election should have been had

may adjourn to any subsequent day for the holding of such election; and the Directors in office shall continue to act as such until they are replaced or re-elected.

ARTICLE XXX.—At elections of Directors, members of the Society shall vote according to the number of shares which they hold, each share entitling the holder to one vote. Votes.

Any shareholder may vote at such election by a proxy, duly appointed in accordance with the form prescribed by the Society. No person other than a shareholder may vote as a proxy. Votes by proxy.

ARTICLE XXXI.—To be eligible as a Director a member of the Society must be the holder of at least ten shares in the capital stock. Qualification of Directors.

ARTICLE XXXII.—Directors shall cease to be such, *ipso facto*, for any of the following causes: being the holder of less than ten shares; insolvency; bankruptcy; conviction of any crime or misdemeanor. Directors ceasing to be qualified.

Every resignation of a Director shall be made in writing to the President, and may be accepted or refused at the meeting of the Directors at which such resignation shall be taken into consideration. Resignations of a Director.

If any Director shall absent himself from the meetings of the Board for three consecutive months for causes other than illness or absence from the city, the Directors may, by resolution, declare his office vacant. Vacancies for causes other than illness or absence.

The office of any Director which shall be vacated by decease, or for any of the causes above set forth, shall be filled by the Directors remaining in office, and the Vacancies among the Directors how filled.

Director or Directors so elected by their colleagues shall have the same powers as if they had been elected at the annual general meeting.

No Director shall be competent to hold any remunerative office in the service of the Society.

**Meetings of
Directors.**

ARTICLE XXXIII.—The Directors shall meet for the transaction of business of the Society on the first and third Friday in each month; four shall be a quorum.

**Special meet-
ings.**

They may hold special meetings when the interests of the Society require it.

No Director or Shareholder may be present at a meeting when he is personally interested in the business transacted, except for the purpose of giving explanations, if he is called upon to do so.

**Indemnity to
Directors and
to the Presi-
dent.**

ARTICLE XXXIV.—An indemnity, the amount of which shall be fixed by the Shareholders at a general meeting, shall be allowed to each Director. The Society may vote a further indemnity to the President in view of the greater attention which he must devote to the business of the Society.

**Duties and
powers of the
President.**

ARTICLE XXXV.—The President shall preside at all meetings of the Society and of the Board of Directors. He shall maintain order, decide all points of order, and shall take no part in any discussion, nor make, nor second any motion at the general meetings without first leaving the chair, and causing himself to be replaced therein. If a member, after having been called to order by the President, does not conform to his decision, he may be expelled from the meeting upon a motion carried

by the majority of the votes of the Shareholders present.

At general meetings, and at meetings of the Board of Directors, the President shall have a casting vote, in case of an equal division of votes. Whenever, at a meeting of the Board of Directors, there is an equality of votes, the President having voted as a Director, the question shall be decided in the negative, but may again be taken into consideration at a subsequent meeting of the Directors.

In the absence of the President, he shall be replaced by the Vice-President, who shall have the same powers and attributes.

In the absence of both, a President *pro tempore* shall be appointed by the Directors and shall have the same powers and attributes.

ARTICLE XXXVI.—The President may, should he desire to do so, examine the books daily; it shall be his duty to verify the cash from time to time, and to sign a certificate to that effect in the books. The same powers may be granted to another Director by authorization from the board of Directors.

ARTICLE XXXVII.—The President and the Secretary-treasurer, or the Secretary, shall sign all documents which shall be considered necessary to carry into effect the decisions of the Directors, or of the Shareholders in general meeting assembled.

ARTICLE XXXVIII.—The Directors shall appoint such officers and servants as they may require; they shall also have power to dismiss them.

Security.

All officers and servants of the Society shall be under the immediate control of the Directors; they shall give such security as the Directors may deem sufficient, for the faithful performance of their duties.

Secretary-Treasurer, etc.

ARTICLE XXXIX.—The Directors shall appoint a Treasurer, who shall at the same time be the Secretary, or a Secretary and a Treasurer.

To receive and pay all monies

The Secretary-treasurer or the Treasurer shall receive all sums of money due the Society, and shall, on the order of the Directors, pay all sums of money due by it.

Deposits in Banks.

He shall be bound to deposit in the Bank, so soon as he shall have fifty dollars in hand, all moneys received by him on account of the Society.

Cheques.

All cheques on the Bank shall be signed by the President and the Secretary-treasurer, or by the President and the Treasurer.

Annual statement.

The Secretary-treasurer or the Treasurer shall, in each year, prepare a general statement of the assets and liabilities of the Society, specifying in whose custody and possession the funds not applied and the property and effects generally are; he shall also prepare a statement of all the sums received and expended by or for the Society since the date of the preceding statement.

Secretary of meetings.

The Secretary-Treasurer or the Secretary shall be *ex officio* Secretary of the general meetings of the Society and of the Board of Directors.

Witness.

He shall be a competent witness for all

purposes whatsoever, in all matters affecting the Society.

ARTICLE XL.—The Directors may appoint:—

1st. A Solicitor, or Solicitors, to make searches and to examine titles as to real and other property tendered as security for loans, and to act in respect of all other business of the Society. In every case he shall make report in writing to the Board of Directors, and he shall be responsible for any loss which may result to the Society from any act of his. Solicitors.

The Solicitor, or Solicitors, of the Society shall hold at least ten shares of the capital stock of the Society. Qualification.

In case of need, the Directors may employ other Solicitors.

2nd. An Inspector, or Inspectors, whose duty it shall be to visit and value all property offered as security. The reports of the Inspector or Inspectors shall always be in writing, and shall be sworn to if the Directors so require. Inspectors.

The Inspector, or Inspectors, shall hold at least five shares. Qualification.

ARTICLE XLI.—Fees of Solicitors and Inspectors, and all other costs occasioned by applications for loans, as ascertained by the Directors, shall in all cases be paid by the borrowers. Fees payable by borrowers.

And every person applying for a loan shall deposit the sum of ten dollars with the Secretary-Treasurer, or Treasurer of the Society, as security for the payment of the cost of examination of title and inspection. Deposit by borrowers.

ARTICLE XLII.—The Society shall Seal.

have a common seal which shall be affixed to all documents which the Directors consider it expedient so to attest.

Books.

ARTICLE XLIII.—In addition to all other books necessary or useful for the proper management of the business of the Society, two books shall be kept, in one of which shall be entered all proceedings of the Directors, and in the other all proceedings of the Shareholders in general meeting assembled, and such entries shall be signed by the President and the Secretary-Treasurer, or by the President and the Secretary.

General meetings.

ARTICLE XLIV.—All general meetings shall be held at the office of the Society, or at any place in the City of Ottawa which may be designated by the Directors. The Directors shall submit to the annual meeting a report and a statement from the Secretary-Treasurer or from the Treasurer, with respect to the business done during the year. Two Auditors shall be appointed every year at a general meeting, to examine the books, accounts, statements, securities and affairs generally of the Society, and to report thereon.

Auditors.

All questions shall be decided by the majority of votes.

Special general meetings; notice.

ARTICLE XLV.—The Directors may call special general meetings by notice to that effect signed by the President and the Secretary-Treasurer, or the Secretary; such notices shall be transmitted by mail or otherwise to all the Shareholders one week before the date of the meeting.

Calling of special general meetings.}

ARTICLE XLVI.—The President, on receipt of a written requisition signed by

fifteen Shareholders, shall, in the manner hereinbefore specified, call special general meetings.

If the President should refuse to call such meeting, the persons who have signed the requisition, may deposit with the Secretary-Treasurer, or the Secretary, a duplicate of their requisition duly signed in presence of a witness, and the Secretary-Treasurer, or the Secretary, shall be bound to call a meeting in the manner hereinbefore prescribed.

Proceeding if the President should refuse to call the meeting.

ARTICLE XLVII.—The days and hours of business of the Society may be fixed and changed by the Directors as occasion may require, and notice to that effect shall be given as of special general meetings.

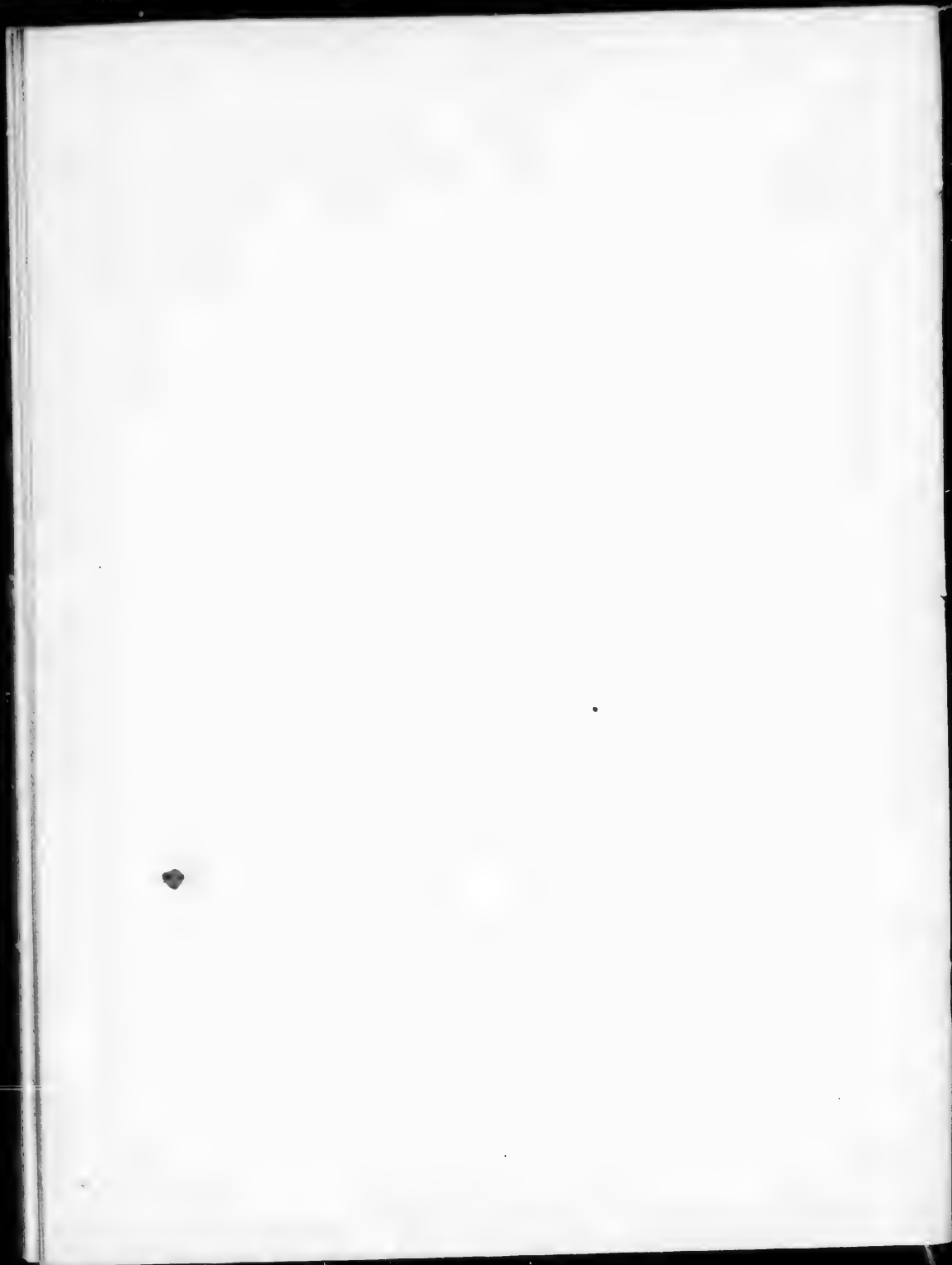
Days and hours of business.

ARTICLE XLVIII.—When the day fixed by the By-laws for a general meeting, or for the transaction of any other business of the Society, shall fall on a Sunday or holiday, such meeting shall be held, and such business transacted on the following day. The Epiphany, the Ascension, St. John Baptist's Day, All Saints, and the Immaculate Conception shall be held to be holidays for the purposes of these By-laws.

Certain holidays to be observed.

XLIX.—If any Shareholder should be dissatisfied with any decision of the Directors, he may appeal therefrom to the next general meeting of the Society.

Appeal from decision of the Directors.



Consolidated Statutes for Upper Canada.

CHAPTER LIII.

AN ACT RESPECTING BUILDING SOCIETIES.

Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows :—

1. In case any twenty or more persons in Upper Canada agree to constitute themselves a Building Society, and execute, under their respective hands and seals, a declaration to that effect, and deposit the same with the Clerk of the Peace in the County in which they reside, (who for receiving such deposit shall be entitled to a fee of fifty cents,) such persons, and such other persons as afterwards become members of the Society, and their several and respective executors, administrators and assigns, shall be a corporation, body corporate and politic, as a Building Society, by the name and style mentioned in such declaration, for raising, by monthly or other periodical subscriptions of the several members of the Society, in shares not exceeding the value of four hundred dollars for each share, (and in subscriptions not exceeding four dollars per month for each share,) a stock or fund to enable each member to receive out of the funds of the Society the amount or value of his shares therein, for the purpose of erecting or purchasing one or more dwelling house or houses, or other freehold or leasehold estate, or for any other purpose whatsoever, and the amount or value of such shares

Societies how
incorporated.

Powers of
Society.

shall be secured to the Society by mortgage or otherwise on any real estate belonging to the member at the time of his borrowing money from the Society, or on any other real estate acquired by such member, until the amount or value of his shares, with the interest thereon, have been fully paid, together with all fines or liabilities incurred in respect thereof. 9 V. c. 90, s. 1,—13, 14 V. c. 79, s. 4.

Members of Society may make rules, &c., impose fines, &c.

2. The several members of the Society may from time to time assemble together, and make such proper rules for the government of the same as the majority of members so assembled deem meet, so as such rules are not repugnant to the provisions of this Act, or any other law in force in Upper Canada; and they may impose and inflict such reasonable fines, penalties, and forfeitures upon the several members of the Society infringing such rules as the majority of the members think fit, and to be respectively paid to such uses, for the benefit of the Society, as the Society by such rules direct; and they may also from time to time amend or rescind such rules, and make new rules in lieu thereof, under such restrictions as are in this Act contained.

Except in cases of withdrawal members not to receive profits on share till value of same realised.

3. Except in the case of the withdrawal of a member, according to the rules of the Society then in force, no member shall receive, or be entitled to receive, from the funds of the Society any interest or dividend, by way of annual or other periodical profit, upon any share in the Society, until the amount or value of his Share has been realized.

Society may receive bonus in addition to interest.

4. Every such Society may, besides interest, receive from any member a *bonus* on any Share, for the privilege of receiving the same in advance, prior to the same being realized, without becoming thereby liable to any forfeitures or penalties imposed by any laws in force in Upper Canada, relating to Usury. 9 V. c. 90, s. 2,—22 V. c. 85, s. 6.

5. Every such Society shall, from time to time, elect and appoint any number of the members of the Society to be a Board of Directors, the number and qualification thereof to be declared in the rules of the Society, and may delegate to such Directors all or any of the powers given by this Act to be executed. 9 V. c. 90, s. 3.

Society from time to time to elect directors.

6. The powers of the Directors shall be declared by the rules of the Society, and they shall continue to act during the time appointed by such rules. 9 V. c. 90, s. 3.

Powers of directors to be declared by rules.

7. In case Directors are appointed for any particular purpose, the powers delegated to them shall be reduced to writing, and entered in a book by the Secretary or Clerk of the Society. 9 V. c. 90, s. 3.

Powers of directors in certain cases to be recorded in books of Society.

8. The Directors shall choose a President and Vice-President, and they shall in all things delegated to them act for and in the name of such Society, and the concurrence of a majority of the Directors present at any meeting shall at all times be necessary in any act of the Board. 9 V. c. 90, s. 3.

Concurrence of majority of directors necessary.

9. All acts and orders of such Directors, under the powers delegated to them, shall have the like force and effect as the acts and orders of the Society at a general meeting: 9 V. c. 90, s. 3.

Acts of directors to be binding.

10. The transactions of the Directors shall be entered in a book belonging to the Society, and shall at all times be subject to the review, allowance and disallowance of the Society, in such manner and form as the Society, by their general rules, direct and appoint. 9 V. c. 90, s. 3.

Proceedings of directors to be entered in books of Society.

11. Every such Society shall, in or by one or more of their rules, declare the objects for which the Society is intended to be established, and thereby direct the purposes to which the money from time to time subscribed to, received by and belonging to the Society, shall be appropriated, and in what shares or proportions, and under what circumstances any member of

Society by rule to declare objects of Society and declare how moneys to be applied.

the Society, or other person, may become entitled to the same, or any part thereof. 9 V. c. 90, s. 4.

Moneys not to be misapplied under penalties.

12. All such rules shall be complied with and enforced; and the moneys so subscribed to, received by, or belonging to the Society, shall not be diverted or misapplied either by the Treasurer or Directors, or any other officer or member of the Society entrusted therewith, under such penalty or forfeiture as the Society by any rule inflicts for the offence. 9 V. c. 90, s. 4.

Rules to be recorded in a book.

13. The Rules for the management of every such Society shall be recorded in a book to be kept for that purpose, and such book shall be open at all seasonable times for the inspection of the members. 9 V. c. 90, s. 5.

Entry of rules in book, notice to members.

14. The rules so recorded shall be binding on the several members and officers of the Society, and the several contributors thereto, and their representatives, and they shall be deemed to have full notice thereof by such record. 9 V. c. 90, s. 6.

Examined copy of rules entered in book to be evidence.

15. The entry of the Rules in the books of the Society, or a true copy of the same, examined with the original, and proved to be a true copy, shall be received as evidence thereof. 9 V. c. 90, s. 6.

Rules not to be removed by certiorari.

16. Such Rules shall not, by *Certiorari*, or other legal process, be removed into any of Her Majesty's Courts of Record. 9 V. c. 90, s. 6.

Rules entered in book not to be altered except at a general meeting.

17. No rules so recorded as aforesaid shall be altered or rescinded, unless at a general meeting of the members, convened by public notice, written or printed, signed by the Secretary or President of the Society, in pursuance of a requisition for that purpose, made by not less than fifteen of the members, stating the objects for which the meeting is called, and addressed to the President and Directors; and each member of the Society shall, within fifteen days after such requisition, be notified, through the Post Office, of the proposed alterations; and such general meetings shall

consist of not less than one-third of the shareholders, three-fourths of whom must concur in the proposed alterations or repeal. 9 V. c. 90, s. 7.

18. The Rules of the Society shall specify the place or places at which it is intended that the Society shall hold its meetings, and shall contain provisions with respect to the powers and duties of the members at large, and of the officers appointed for the management of its affairs. 9 V. c. 90, s. 8.

Rules to specify time and place for holding meeting.

19. The Directors shall, from time to time, at any of their usual meetings, appoint such persons as they think proper, to be officers of the Society, grant such salaries and emoluments as they deem fit, and pay the necessary expenses attending the management of the Society; and shall, from time to time, when necessary, elect such persons as may be necessary for the purposes of the Society, for the time and for the purpose expressed in the Rules of the Society; and may from time to time discharge such persons, and appoint others in the room of those who vacate, die, or are discharged. 9 V. c. 90, s. 9.

Directors to appoint officers.

20. Every such officer, or other person appointed to any office in any wise concerning the receipt of money, shall, before entering upon the duties of his office, execute a Bond with two sufficient sureties in such form, and for such amount as the Directors determine, for the just and faithful execution of his office, according to the Rules of the Society. 9 V. c. 90, s. 9.

Officers appointed to receive money to give security.

21. Every such Society may take and hold any real estate or securities thereon, *bona fide* mortgaged, or assigned to it, either to secure the payment of the shares subscribed for by its members, or to secure the payment of any loans or advances made by, or debts due to the Society, and may proceed on such mortgages, assignments or other securities, for the recovery of the moneys thereby secured, either at law or in equity or otherwise, and generally may pursue the

Society may take and hold real estate mortgaged to Society for certain purposes.

same course, exercise the same powers, and take and use the same remedies to enforce the payment of any debt or demand due to the Society as any person, or body corporate, may by law take or use for a like purpose.

**May invest
surplus funds.**

22. Every such Society may, in the names of the President and Treasurer for the time being, invest any surplus funds in the stocks of any of the Chartered Banks, or other public securities of the Province, and all dividends, interest and proceeds arising therefrom shall be brought to account, and be applied to the use of the Society, according to the Rules thereof. 9 V. c. 90, s. 10—13, 14, V. c. 79, s. 2.

**May forfeit
shares.**

23. Every such Society may declare forfeited to the Society the shares of any member who is in default, or who neglects to pay the number of instalments or monthly subscriptions fixed by any stipulation or By-Law, and may expel such member from the Society, and the Secretary shall make a minute of such forfeiture and expulsion, in the Books of the Society; or instead of such forfeiture and expulsion, the Society may recover the arrears by an action of debt. 13, 14, V. c. 79, s. 3.

**May expel
member.**

**May sue for
amount of
shares.**

**May sue in
Division
Court.**

24. If the amount in arrear does not exceed forty dollars, the action may be brought in the Division Court of the Division wherein the office of the Society is kept. 13, 14, V. c. 79, s. 3.

**Society may
sell real estate
mortgaged in
certain cases.**

25. Whenever any such Society has received from a Shareholder an assignment, mortgage or transfer of any real estate, to secure the payment of any advances, and containing an authority to such Society to sell the real estate in case of non-payment of any stipulated number of instalments or sum of money, and to apply the proceeds of such sale to the payment of the advances, interest, and other charges due to the Society, such stipulations and agreements shall be valid and binding, and the Society may cause the same to be enforced either by foreclosure or by an action or pro-

ceeding in either of Her Majesty's Superior Courts of Common Law, in which action the venue shall be laid in the County in which the lands lie, and the action may be brought in the names of the President and Treasurer of the Society, describing them as such, or in the corporate name of the Society. 13, 14, V. c. 79, s. 1.

26. If any person appointed to an office by the Society, and being entrusted with and having in his possession, by virtue of his office, any moneys or effects belonging to the Society, or any deeds or securities relating thereto, dies or becomes bankrupt or insolvent, his legal representative, or other person having a legal right, shall, within fifteen days after demand made by the order of the Directors of the Society, or the major part of them assembled at any meeting thereof, deliver over all things belonging to the Society, to such persons as the Directors appoint. 9 V. c. 90, s. 11.

Representatives of officers of Society to deliver over papers and moneys after demand.

27. All real and personal estate, property and effects, and all titles, securities, instruments and evidences, and all rights and claims of or belonging to the Society, shall be vested in the President and Treasurer and their successors in office for the time being, for the use of the Society and the respective members thereof, according to their respective claims and interests, and shall, for all purposes of bringing or defending actions or suits, civil or criminal, be deemed to be, and shall be stated to be, the property of the President and Treasurer, in the proper names of the President and Treasurer for the time being.

Property of Society vested in President and Treasurer.

28. The President and Treasurer may bring or defend any action, suit or prosecution, criminal or civil, respecting any property, right or claim aforesaid, and may sue and be sued, plead and be impleaded in their proper names as President and Treasurer of the Society without other description.

President and Treasurer may bring and defend suits.

Suits not to
abate by death
or removal
from office.

29. No such suit, action or prosecution, shall be discontinued or abated by the death or removal from office of the President or Treasurer, but shall continue in their names; and the succeeding President and Treasurer shall have the same rights and liabilities, and shall pay or receive like costs as if the action, suit or prosecution had been commenced or been defended in their names, for the benefit of or to be satisfied out of the funds of the Society. 9 V. c. 90, s. 12.

Secretary of
Society a
competent
witness.

30. In all suits and prosecutions, the Secretary of the Society shall be a competent witness, notwithstanding he may also be Treasurer of the Society and his name used in the suit or prosecution as such Treasurer. 9 V. c. 90, s. 13.

President and
Directors re-
lieved of res-
ponsibility.

31. The President, Vice-President, and Directors of the Society, in their private capacity, shall be exonerated from all responsibility in relation to the liabilities of the Society. 9 V. c. 90, s. 14.

Rules to pro-
vide that Se-
cretary shall
furnish annual
statement of
funds.

32. The rules of the Society shall provide that the Treasurer or other principal officer thereof shall, once at least in every year, prepare a general statement of the funds and effects of or belonging to the Society, specifying in whose custody or possession such funds or effects are then remaining, together with an account of all sums of money received or expended by, or on account of, the Society since the publication of the preceding periodical statement. 9 V. c. 90, s. 15.

Secretary's
statement to
be attested by
auditors.

33. Every such periodical statement shall be attested by two or more members of the Society not being Directors, appointed auditors for that purpose, and shall be countersigned by the Secretary or Clerk of the Society, and every member shall be entitled to receive from the Society without charge a copy of such periodical statement.

Act extends
to aliens, fe-
males and
bodies cor-
porate.

34. This Act shall for all purposes extend to aliens, denizens, and females; and co-partners and corporate bodies may hold shares in any society incorporated

under the provisions of this Act, in the same manner as single individuals; and this Act shall be construed in the most beneficial manner for promoting the ends thereby intended. 13, 14 V. c. 79, s. 4, 9 V. c. 90, s. 16.

35. The word "Society" in the foregoing sections of this Act shall be understood to include and to mean Building Society and Institution established under the provisions and authority of this Act, or any former Act respecting Building Societies; the word "Rules" to include Rules, Orders, By-Laws, and Regulations; the words "Real Estate" shall extend and apply to immovable estate and property generally; and the word "securities," shall extend and apply to privileges, mortgages (equitable as well as legal), and incumbrances upon real and immovable estate, as well as to other rights and privileges upon personal estate and property. 9 V. c. 90, s. 16.

Interpretation
clause.

36. Whereas under the Act passed in the ninth year of Her Majesty's Reign, intituled "*An Act to encourage the establishment of certain Societies commonly called Building Societies, in that part of the Province of Canada formerly constituting Upper Canada*," certain Building Societies have been established called Permanent Building Societies, which have, in a great measure, superseded those Societies called Terminating Building Societies, and are conducted on more certain and equitable principles than the said Terminating Building Societies, by enabling persons to become members thereof at any time for investment therein, or to obtain the advance of their shares or share by giving security therefor, and to fix and determine with the said Society the time and amount which such members shall repay such advanced share or shares and obtain the release of the said security, without being liable to the contingency of losses or profits in the business of the said Society: And whereas doubts had arisen as to whether such Permanent Building Societies were within the meaning and intention of the said recited Act; There-

Preamble.
9 V. c. 90.

Permanent Societies having fulfilled certain conditions declared to be within this Act.

And their subscribers to be members.

Evidence of membership.

How By-laws of Permanent Societies may be passed or amended.

fore, any Permanent Building Society established under the said hereinbefore recited Act and the amended Act thereto, or established under this Act, after this Act takes effect, and conducted on the principle hereinbefore mentioned, which has fulfilled and observed, or which fulfils and observes, all the conditions necessary to be fulfilled and observed for the establishment of a Building Society under the said recited Acts, or under this Act (as the case may be), shall be, and the same is hereby declared to be and to have been a Building Society within the meaning and intention of the said recited Acts and of this Act, and to be and to have been entitled to all powers, benefits, and advantages of the said recited Acts and of this Act; and any person or persons who have signed the Rules and Regulations of any such Building Society entered and recorded in a book, as in the fifth section of the said recited Act, passed in the ninth year of Her Majesty's Reign and in the thirteenth section of this Act is required, and have subscribed his or their name or names as a shareholder or shareholders for one or more shares, shall, from the time of such signature and subscription, be and be deemed to have been a member or members of such Building Society; and the production of the book containing the rules for the management of such Society, kept as in the fifth section of the said Act, and in the thirteenth section of this Act is required, signed by such person and duly witnessed, shall, at all times and for all purposes be sufficient evidence of membership in such Building Society. 22 V. c. 45, s. 1 (1859).

37. Any Permanent Building Society may alter, amend, repeal or create any Regulation, Rule, or By-law for the working of the said Society at a public meeting of the members of such Society, convened as is directed by the said seventeenth section of this Act, and at which public meeting one-third of the members of the said Society, entitled to vote by the Rules of

the said Society, and representing not less than two-thirds of the unadvanced Stock of such Society, do, either in writing under their hand or by a vote at such meeting, concur in such alteration, amendment or repeal of such Regulation, Rule, or By-law, or in the creation of any new Rule, Regulation, or By-law. 22 V. c. 45, s. 2 (1859).

38. Every such Society, by its Rules, Regulations, and By-laws authorised to borrow money, shall not borrow, receive, take or retain, otherwise than in stock and shares in such Society, from any person or persons, any greater sum than three-fourths of the amount of capital actually paid in on unadvanced shares, and invested in real securities by such Society, and the paid in and subscribed capital of the Society shall be liable for the amount so borrowed, received, or taken by any society. 22 V. c. 45, s. 3 (1859).

Amount to which Societies may borrow money, limited.

39. When any share or shares in any Society have been fully paid up according to the rules of the Society, or have become due and payable to the holder thereof, then and in such case the holder of such share or shares may either withdraw the amount of his share or shares from the said Society, according to the rules and regulations thereof, or invest the amount of his said share or shares in the Society, and receive therefrom periodically such proportion of the profits made by such Society as may be provided for by a By-law to be passed for the purpose; and the amount of such share or shares so invested shall become fixed and permanent capital or shares in the said Society not withdrawable therefrom, but transferable in the same manner as other shares in the said Society. 22 V. c. 45, s. 4.

Shareholder whose share is paid up may receive or invest the amount.

40. Such Society may advance to members on the security of investing on unadvanced shares in the said Society, and may receive and take from any person or persons, or bodies corporate, any real or personal

Advances on security of investing on unadvanced shares.

security of any nature or kind whatever as collateral security for any advance made to members of the Society. 22 V. c. 45, s. 5.

Holding real estate.

41. Any Society may hold absolutely real estate for the purposes of its place of business, not exceeding the annual value of Six Thousand Dollars. 22 V. c. 45, s. 6.

Society not bound to see to trusts to which its stock is subject.

42. Such Society shall not be bound to see to the execution of any Trust, whether expressed, implied, or constructive, to which any share or shares of its stock may be subject; and the receipt of the party in whose name any such share or shares stand in the books of the Society, or if such share or shares stand in the name of more parties than one, the receipt of one of the parties shall, from time to time, be a sufficient discharge to the Society for any payment of any kind made in respect of such share or shares, notwithstanding any Trust to which such share or shares may then be subject, and whether or not such Society has had notice of such Trust; and the Society shall not be bound to see to the application of the money paid upon such receipt. 22 V. c. 45, s. 7 (1859).

What receipts shall be sufficient.

29 VIC. CAP. XXXVIII.

An Act to make further provisions for the management of Permanent Building Societies in Upper Canada.

[Assented to 18th September, 1865.]

Preamble.

WHEREAS it is expedient to make further provisions for the management of Permanent Building Societies in Upper Canada: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

1. It shall be lawful for the Directors of any Permanent Building Society in Upper Canada, at any time and from time to time as they may think expedient, by resolution, to close for any specified time, or until further order, the subscription of shares to be held for investment in the Society, and thereafter, until the expiration of such specified time, or until such further order, no new shares shall be subscribed for investment in the Society; Provided always, that such new issue of shares shall be allotted to the then existing shareholders *pro rata*, as nearly as possible without fractions, but in case such new shares be not taken up within thirty days, then the said shares, or the remaining shares shall be sold, and any premium thereon applied to the general benefit of the Society.

Directors may close subscription of shares.

Proviso.

2. It shall be lawful for the members entitled to vote, at any time by resolution to be passed at any special or general meeting, for which meeting, notice of such intended resolution shall have been duly given, according to the seventeenth section of chapter fifty-three of the Consolidated Statutes for Upper Canada, to determine that no new shares shall thereafter be subscribed for investment in any such Society; and thereafter no new shares for investment shall at any time be subscribed therein, and the subscription of such shares shall cease forever.

Members may determine at a general or special meeting to close subscription of shares.

3. Nothing done under the preceding clauses of this Act shall have the effect of preventing any such Society from creating, as it otherwise might, any share or shares to be immediately advanced to the subscriber or subscribers thereof, or of preventing any person from subscribing, as he otherwise might, for any share or shares, in order immediately to obtain the advance thereof from such Society by giving security therefor.

Shares to be immediately advanced excepted.

4. Any member entitled to vote at any meeting of any Permanent Building Society, held under the thirty-seventh section of chapter fifty-three of the

Members may vote by proxy.

Consolidated Statutes for Upper Canada, may be represented and vote at such meeting by his proxy, such proxy being a member of such Society.

Quorum of members for altering By-Laws.

5. It shall be lawful at any general meeting, convened under section seventeen of the fifty-third chapter of the Consolidated Statutes for Upper Canada, for two-thirds of the shareholders there present in person, or by proxy, representing not less than one half the amount paid up on investing shares, to alter, repeal or amend any of the rules or by-laws of such Society.

Yearly returns to Auditor of public account

6. It shall be the duty of the Secretary or Treasurer, and the President or Vice-President of every such Society, to make yearly returns, upon oath, to the Auditor of Public Accounts, of the affairs of such Society, in such manner as may be by him prescribed, stating therein the mode by which the assets of such Society are valued.

Sec. 39 of c. 53, C. S. U. C. amended as to paying up shares in full.

7. The thirty-ninth section of chapter fifty-three, above mentioned, shall be amended by adding the following proviso thereto: "Provided always, that any share or shares may, at any time, be paid up in full and capitalized at once, as permanent stock, and any such share or shares, heretofore paid in full, or in part, shall be as valid as if the same had been paid by periodical or other subscription; Provided, also, that no such Society hereafter to be established shall borrow money or receive deposits until not less than one hundred thousand dollars of stock shall have been subscribed, and not less than forty thousand dollars shall have been actually paid thereon."

As to borrowing money.

Inconsistent provisions repealed.

8. All provisions of all former Acts which may be inconsistent with this Act shall be held and taken to be by this Act amended, so far as may be necessary to render them consistent with this Act.

An Act to make further provision for the management of Permanent Building Societies carrying on business in the Province of Ontario.

[Assented to 26th May, 1874.]

WHEREAS it is expedient to make further provision for the management of Permanent Building Societies carrying on business in the Province of Ontario: Therefore, Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Preamble.

1. The Directors of any such Permanent Building Society, may, from time to time, alter, amend, repeal or create any regulation, rule or by-law for the working of any such Society: Provided that such action of the Directors shall not have a binding force until confirmed at any general meeting of the Shareholders of such Society upon a vote of two-thirds of the capital stock represented at such meeting; notice being given of the proposed changes in the notice calling such meeting.

Directors may make by-laws.

2. No Shareholder of any such Society shall be liable for or charged with the payment of any debt or demand due by such Society, beyond the extent of his shares in the capital of such Society not then paid up.

Liability of shareholders limited.

3. Any such Society may lend money in conformity with the laws authorizing the establishment of Building Societies in Canada, and with the by-laws of such Society, to any person or persons or body corporate at such rates of interest as may be agreed upon, without requiring any of such borrowers to become subscribers to the stock or members of the said Society: Provided always, that all borrowers from any such Society shall be subject to all the rules of such Society

Society may lend money to others than its members.

in force at the time of their becoming borrowers, but not to any other rules.

C. S. U. C.
c. 53, s. 22 re-
pealed.

New section.

4. Section twenty-two of chapter fifty-three of the Consolidated Statutes for Upper Canada is hereby repealed, and the following substituted therefor:—

“22. Any such Society may purchase mortgages upon real estate, debentures of municipal corporations, school sections and school corporations, Dominion or Provincial stock or securities, and they may re-sell any such securities as to them shall seem advisable, and for that purpose they may execute such assignments or other instruments as may be necessary for carrying the same into effect; they may also make advances to any person or persons or body corporate upon any of the above mentioned securities at such rates of discount or interest as may be agreed upon.”

Repayment
and recovery
of money
advanced.

5. The principal money so advanced on mortgages may be repaid by means of a sinking fund of not less than two per centum per annum, within such time as the Society shall direct and appoint, and as shall be specified in the mortgage or assignment of mortgage to be made of such real estate, and of such revenues, rates, rents, tolls or profits as hereinafter mentioned; and the Society may do all acts that may be necessary for advancing money, and for recovery and obtaining repayment thereof, and for enforcing payment of all interest accruing therefrom, or any conditions attached to such advance or any forfeiture consequent on the non-payment thereof, and give all necessary and proper receipts, acquittances and discharges for the same, and do, authorize and exercise all acts and powers whatsoever requisite or expedient to be done or exercised in relation to the said purposes.

C. S. U. C.
c. 53, s. 38 re-
pealed.

New section.

6. Section thirty-eight of chapter fifty-three of the Consolidated Statutes for Upper Canada is hereby repealed, subject to the provisions of the twelfth section of this Act, and the following substituted therefor:—

“38. It shall be lawful for any such Society to receive

money on deposit, and also for the Board of Directors of any such Society to issue debentures of such Society for such sums, not being less than one hundred dollars, and in such currency as they may deem advisable and payable in the Dominion of Canada, or elsewhere, not less than one year from the issue thereof: Provided always that the aggregate amount of money deposits in the hands of such Society, together with the amount of debentures issued and remaining unpaid, shall not at any time exceed the amount of principal remaining unpaid on the mortgages at such time held by such society, and shall not exceed the amount of capitalized, fixed and permanent stock in such Society, not liable to be withdrawn therefrom, by more than one-third of the total amount of the said capitalized stock: Provided further, that the amount of cash actually in the hands of any such Society, or deposited in any chartered Bank, shall be deducted from the sum total of the liabilities which such society may be authorized to incur as above stated."

The debentures of such Society may be in the form of Schedule A to this Act or to the like effect.

7. Any such Society may, and is hereby empowered to demand and receive in advance the half-yearly interest from time to time accruing on any advances of money made by such Society under and by virtue of this Act.

Interest may
be received in
advance.

8. The President, Vice-President and Directors of any such Society shall have and exercise the powers, privileges and authorities set forth and vested in them by this Act and any other Act regulating such Society, subject to the rules or by-laws of such Society, and they shall be subject to and be governed by such rules, regulations and provisions as are herein contained with respect thereto and by the by-laws of such Society; and the Directors shall, and may, lawfully exercise all the powers of such Society except as to such matters as are directed by law to be transacted

Powers of
Directors.

by a general meeting of such Society. The Directors may use and affix, or may cause to be used and affixed, the seal of such Society to any document or paper which in their judgment may require the same, they may make and enforce the calls upon the shares of the respective Shareholders, they may declare the forfeiture of all shares on which such calls are not paid, they may make any payments and advances of money they may deem expedient which are or shall at any time be authorized to be made by or behalf of such Society, and enter into all contracts for the execution of the purposes of such Society, and for all other matters necessary for the transaction of its affairs; they may generally deal with, treat, sell and dispose of the lands, property and effects of such Society, for the time being, in such manner as they shall deem expedient and conducive to the benefit of such Society as if the same lands, property and effects were held and owned according to the tenure and subject to the liabilities, if any, from time to time affecting the same, not by a body corporate, but by any of Her Majesty's subjects being of full age. They may do and authorize, assent to or adopt, all acts required for the due exercise of any further powers and authorities which may hereafter be at any time granted to such Society by the Parliament of Canada for the performance and fulfilment of any conditions or provisions from time to time prescribed by the said Parliament in giving such further powers and authorities or in altering or repealing the same respectively or any of them.

By-laws.

9. All by-laws of any such Society shall be reduced to writing, and shall have affixed thereto the common seal of the Society, and any copy or extract therefrom, certified under the signature of the Secretary or Manager, shall be evidence in all Courts of Justice in Canada, of such by-laws or extract from them, and that the same were duly made and are in force; and

in any action or proceeding at law, criminal or civil or in equity, it shall not be necessary to give any evidence to prove the seal of such Society; and all documents purporting to be sealed with the seal of any such Society, attested by the President, Treasurer or Manager thereof, shall be held *prima facie* to have been duly sealed with the seal of such Society.

10. Section forty-two of chapter fifty-three of the Consolidated Statutes for Upper Canada is hereby repealed, and the following substituted therefor:—

C.S.U.C. c. 53,
s. 42 repealed.

"42. Such Society shall not be bound to see to the execution of any trust, whether expressed, implied or constructive, to which any share or shares of its stock, or to which any deposit or any other moneys payable or in the hands of any such Society, may be subject; and the receipt of the party or parties in whose name any such share or shares or moneys stand in the books of the Society, shall, from time to time, be sufficient discharge to the Society for any payment of any kind made in respect of such share or shares or moneys, notwithstanding any trust to which the same may then be subject, and whether or not such Society has had notice of such trust; and the Society shall not be bound to see to the application of the money paid upon such receipt."

New section.

11. Section twenty of chapter fifty-three of the Consolidated Statutes for Upper Canada is hereby repealed, and the following substituted therefor:

C.S.U.C. c. 53,
s. 20 repealed.

"20. Every such officer or other person appointed to any office in anywise concerning the receipt of money shall furnish security to the satisfaction of the Directors for the just and faithful execution of the duties of his office according to the rules of the Society, and any person entrusted with the performance of any other service, may be required by the Directors to furnish similar security."

New section.

12. The sixth section of this Act shall apply only to any such Society having a paid-up capital of not

Application of
Act.

less than two hundred thousand dollars in fixed and permanent stock, not liable to be withdrawn therefrom: Provided that all such Societies having a paid up capital exceeding forty thousand dollars may receive deposits to the amount of their paid up capital, and the remaining sections of this Act shall extend and apply to every such Society carrying on business in Ontario, or constituted or incorporated under the provisions of the Acts herein referred to, or of the Consolidated Statutes for Upper Canada, chapter fifty-three, or under any Act of the Legislature of the late Province of Canada, or of the Parliament of Canada; and any rights, powers or privileges of any such Society, contrary to the provisions of this Act, are hereby repealed.

Amalgamation.

13. It shall be lawful for any such Society to unite, amalgamate, and consolidate its stock, property, business and franchises with the stock, property, business and franchises of any other such Building, Saving or Loan Society, incorporated or chartered, within the Province of Ontario, and to enter into all contracts and agreements therewith, necessary to such union and amalgamation.

Agreement.

14. The Directors of the two Societies proposing to so amalgamate or consolidate as aforesaid, may enter into a joint agreement under the corporate seals of each of the said corporations, for the amalgamation and consolidation of the said corporations,—prescribing the terms and conditions thereof, the mode of carrying the same into effect, the name of the new corporation, the number of the Directors and other officers thereof, and who shall be the first Directors and officers thereof and their places of residence, the number of shares of the capital stock, the amount or par value of each share, and the manner of converting the capital stock of each of the said corporations into that of the new corporation, and how and when and for how long, Directors and other officers of such new

corporation shall be elected, and when elections shall be held, with such other details as they shall deem necessary to perfect such new organization and the consolidation and amalgamation of the said corporations, and the after management and working thereof.

15. Such agreement shall be submitted to the stockholders of each of the said Societies at a meeting thereof to be held separately for the purpose of taking the same into consideration; notice of the time and place of such meetings and the object thereof shall be given by written or printed notices, addressed to each shareholder of the said Societies respectively at his last known post office address or place of residence, and also by a general notice to be published in a newspaper published at the chief place of business of such Societies once a week for two successive weeks. At such meetings of stockholders, such agreement shall be considered and a vote by ballot taken for the adoption or rejection of the same;—each share entitling the holder thereof to one vote, and the said ballots to be cast in person or by proxy; and if two thirds of the votes of all the stockholders of such corporations shall be for the adoption of such agreement, then that fact shall be certified upon the said agreement by the Secretary of each of such corporations under the corporate seals thereof; and if the said agreement shall be so adopted at the respective meetings of the stockholders of each of the said corporations, the agreement so adopted and the said certificates thereon shall be filed in the office of the Secretary of State of the Dominion of Canada, and the said agreement shall from thence be taken and deemed to be the agreement and act of consolidation and amalgamation of the said Societies, and a copy of such agreement so filed, and of the certificates thereon, properly certified, shall be evidence of the existence of such new corporation.

To be submitted to stockholders.

16. Upon the making and perfecting of the said

Completion of consolidation.

agreement and act of consolidation, as provided in the next preceding section and the filing of the said agreement as in the said section provided, the several societies, parties thereto, shall be deemed and taken to be consolidated, and to form one corporation by the name in the said agreement provided, with a common seal, and shall possess all the rights, privileges, and franchises, and be subject to all the disabilities and duties of each of such corporations so consolidated and united, except as herein otherwise provided.

**Property and
rights.**

17. Upon the consummation of such act of consolidation as aforesaid, all and singular the business, property, real, personal and mixed, and all rights and interest appurtenant thereto, all stock, mortgages or other securities, subscriptions, and other debts due on whatever account, and other things in action belonging to such corporations or either of them, shall be taken and deemed to be transferred to and vested in such new corporation without further act or deed; Provided however, that all rights of creditors and liens upon the property of either of such corporations, shall be unimpaired by such consolidation, and all debts, liabilities and duties of either of the said corporations, shall thenceforth attach to the new corporation, and be enforced against it to the same extent as if the said debts, liabilities and duties had been incurred or contracted by it; and provided also that no action or proceeding legal or equitable by or against the said corporations so consolidated, or either of them, shall abate or be affected by such consolidation, but for all the purposes of such action or proceeding, such corporation may be deemed still to exist, or the new corporation may be substituted in such action or proceeding in the place thereof.

Auditors, &c.

18. The choice and removal of the Auditors of the Society, the determination as to the remuneration of the Directors and of the Auditors, shall be exercised at general meetings of the Society, and the Auditors

shall not necessarily be shareholders : Provided that in case of the death or failure to act of any such Auditor, the Directors may appoint an Auditor in his place, and at all meetings of shareholders of the Society the shareholders shall have one vote for each share held by them respectively.

19. Such Society shall, on or before the fifteenth day of February in each year, transmit to the Minister of Finance a full and clear statement of their assets and liabilities on the day of the date thereof, and such statement shall contain in addition to such other particulars as the Minister of Finance may require :—

Returns.

- 1st. The amount of stock subscribed ;
- 2nd. The amount paid in upon such stock ;
- 3rd. The amount borrowed for the purposes of investments and the securities given therefor ;
- 4th. The amount invested and secured by mortgage deeds ;
- 5th. The value of real estate under mortgage ;
- 6th. The amount of mortgages over due and in default ;
- 7th. The amount of mortgages payable by instalments.

And such statement shall be attested by the oath before some Justice of the Peace, of two persons, one being the President, Vice-President, Manager or Secretary, and the other the Manager or Auditor of such Society, each of whom shall swear distinctly that he has such quality or office as aforesaid, that he has had the means of verifying, and has verified the statement aforesaid, and found it to be exact and true in every particular, that the property under mortgage has been set down at its true value, to the best of his knowledge and belief, and that the amount of the shares, deposits and debentures issued and outstanding, as he verily believes is correct ; and such statement shall be published by the Minister of Finance,

Penalty for
non-transmission.

in such manner as he shall think most conducive to the public good ; and for any neglect to transmit such statement in due course of post within five days after the day to which it is to be made up, such Society shall incur a penalty of one hundred dollars per diem ; and if the same be not transmitted within one month after the said day, or if it shall appear by the statement that such Society is insolvent, the Minister of Finance may, by a notice in the *Canada Gazette*, declare the business of such Society to have ceased ; and if the Minister of Finance shall, in any case, suspect any such statement to be wilfully false, he may depute some competent person to examine the books and enquire into the affairs of such Society and to report to him on oath ; and if by such report it shall appear that such statement was wilfully false, or that such Society is insolvent, or if the person so deputed shall report on oath that he has been refused such access to the books or such information as would enable him to make a sufficient report, the Minister of Finance, may by notice in the *Canada Gazette*, declare the business of such Society to have ceased ; but in any of the cases in which discretionary power is given to the Minister of Finance to declare the business of such Society to have ceased, he may before so doing give notice to such Society and afford the same an opportunity of making any explanation it may be advisable to make ; and all expenses attending such periodical statements, and the publication thereof, shall be borne by such Society.

SCHEDULE A.

Debenture No.	Transferable	Society.
	\$	
Under the authority of an Act of the Parliament of Canada		
Victoria, Chapter		
The President and Directors of the		
Society promise to pay to		or bearer

the sum of _____ dollars, on the _____ day
 of _____, in the year of Our Lord One thousand
 eight hundred and _____ at the Treasurer's office
 here, with interest at the rate of _____ per cent per
 annum, to be paid half-yearly on presentation of the
 proper coupon for the same as hereunto annexed, say
 on the _____ day of _____, and the
 day of _____ in each year at the office of the
 Treasurer here (or their agents in _____.)
 Dated at _____, the _____ day of _____,
 18 _____.

For the President and Directors of the
 Society.

C. D.
 Secretary.

A. B.

COUPON.

No. 1. \$ _____
 Half-yearly dividend due _____ of _____ 18 _____,
 on Debenture No. _____ issued by this Society on
 the _____ day of _____, 18 _____ for \$ _____
 at _____ per cent per annum payable at the office of
 the Treasurer, _____, (or at the Society's agents,
 _____)

For the President and Directors.

C. D.
 Secretary.

A. B.